

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, *et al.*<sup>1</sup>

Debtors.

PROMESA

Title III

No. 17 BK 3283-LTS

**Re: ECF No. 7419**

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO

as representative of

PUERTO RICO SALES TAX FINANCING  
CORPORATION (“COFINA”),

Debtor.

PROMESA

Title III

No. 17 BK 3284-LTS

**This document relates to the  
COFINA Title III case only and  
will be filed in the main case and  
COFINA Title III case.**

**NOTICE OF FILING OF STIPULATION AND AGREED ORDER (A)  
WITHDRAWING PROOFS OF CLAIM OF THE UNITED STATES DEPARTMENT  
OF THE TREASURY/INTERNAL REVENUE SERVICE (CLAIM NOS. 168648 AND  
168885); (B) DEEMING PREVIOUSLY FILED OBJECTION TO APPLY TO  
AMENDED IRS PROOF OF CLAIM (CLAIM NO. 169423); (C) EXTENDING**

<sup>1</sup> The Debtors in these Title III Cases, along with each Debtor's respective title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations.)

**DEADLINE TO RESPOND TO THE OBJECTION; AND (D) ADJOURNING  
HEARING TO CONSIDER THE OBJECTION**

---

PLEASE TAKE NOTICE that, with this notice, the Financial Oversight and Management Board for Puerto Rico, as COFINA's representative pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* ("PROMESA"), and the Fiscal Agency and Financial Advisory Authority, on its own behalf and as the sole entity authorized to act on behalf of all of Puerto Rico's governmental entities, including COFINA, by and through the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, are filing a *Stipulation and Agreed Order* (A) *Withdrawing Proofs of Claim of the United States Department of the Treasury/Internal Revenue Service (Claim Nos. 168648 and 168885)*; (B) *Deeming Previously Filed Objection to Apply to Amended IRS Proof of Claim (Claim No. 169423)*; (C) *Extending Deadline to Respond to the Objection*; and (D) *Adjourning Hearing to Consider the Objection*, attached hereto as **Exhibit A**.

PLEASE TAKE FURTHER NOTICE that copies of all documents filed in these Title III Cases are available (a) free of charge by visiting <https://cases.primeclerk.com/puertorico> or by calling +1 (844) 822-9231, and (b) on the Court's website at <http://www.prd.uscourts.gov>, subject to the procedures and fees set forth therein.

*[Remainder of page intentionally left blank]*

Dated: San Juan, Puerto Rico  
July 9, 2019

/s/ John J. Rapisardi  
John J. Rapisardi (*pro hac vice*)  
Suzanne Uhland (*pro hac vice*)  
Peter Friedman (*pro hac vice*)  
**O'MELVENY & MYERS LLP**  
Times Square Tower  
Seven Times Square  
New York, NY 10036  
Tel.: (212) 326-2000  
Fax: (212) 326-2061

*Attorneys for the Puerto Rico Fiscal Agency  
and Financial Advisor Authority*

/s/ Luis C. Marini-Biaggi  
Luis C. Marini-Biaggi  
USDC No. 222301  
Carolina Velaz-Rivero  
USDC No. 300913  
**MARINI PIETRANTONI MUÑIZ LLC**  
MCS Plaza, Suite 500  
255 Ponce de León Ave.  
San Juan, Puerto Rico 00917  
Tel.: (787) 705-2171  
Fax: (787) 936-7494

*Co-Attorneys for the Puerto Rico Fiscal Agency  
and Financial Advisor Authority*

/s/ Martin J. Bienenstock  
Martin J. Bienenstock (*pro hac vice*)  
Brian S. Rosen (*pro hac vice*)  
**PROSKAUER ROSE LLP**  
Eleven Times Square  
New York, NY 10036  
Tel: (212) 969-3000  
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and  
Management Board, as representative for  
COFINA*

/s/ Hermann D. Bauer  
Hermann D. Bauer  
USDC No. 215205  
Daniel J. Perez-Refojos  
USDC No. 303909  
**O'NEILL & BORGES LLC**  
250 Muñoz Rivera Ave., Suite 800  
San Juan, PR 00918-1813  
Tel: (787) 764-8181  
Fax: (787) 753-8944

*Co-Attorneys for the Financial Oversight  
and Management Board, as representative  
COFINA*

**EXHIBIT A**

UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF PUERTO RICO

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO

as representative of

THE COMMONWEALTH OF PUERTO  
RICO, *et al.*<sup>2</sup>

Debtors.

PROMESA

Title III

No. 17 BK 3283-LTS

**Re: ECF No. 7419**

(Jointly Administered)

In re:

THE FINANCIAL OVERSIGHT AND  
MANAGEMENT BOARD FOR PUERTO  
RICO

as representative of

PUERTO RICO SALES TAX FINANCING  
CORPORATION (“COFINA”),

Debtor.

PROMESA

Title III

No. 17 BK 3284-LTS

**This document relates to the  
COFINA Title III case only and  
will be filed in the main case and  
COFINA Title III case.**

**STIPULATION AND AGREED ORDER (A) WITHDRAWING PROOFS OF CLAIM  
OF THE UNITED STATES DEPARTMENT OF THE TREASURY/INTERNAL  
REVENUE SERVICE (CLAIM NOS. 168648 AND 168885); (B) DEEMING  
PREVIOUSLY FILED OBJECTION TO APPLY TO AMENDED IRS PROOF OF  
CLAIM (CLAIM NO. 169423); (C) EXTENDING DEADLINE TO RESPOND TO**

<sup>2</sup> The Debtors in these Title III Cases, along with each Debtor's respective title III case number and the last four (4) digits of each Debtor's federal tax identification number, as applicable, are the (i) Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3283-LTS) (Last Four Digits of Federal Tax ID: 3481); (ii) Puerto Rico Sales Tax Financing Corporation (Bankruptcy Case No. 17 BK 3284-LTS) (Last Four Digits of Federal Tax ID: 8474); (iii) Puerto Rico Highways and Transportation Authority (Bankruptcy Case No. 17 BK 3567-LTS) (Last Four Digits of Federal Tax ID: 3808); (iv) Employees Retirement System of the Government of the Commonwealth of Puerto Rico (Bankruptcy Case No. 17 BK 3566-LTS) (Last Four Digits of Federal Tax ID: 9686); and (v) Puerto Rico Electric Power Authority (Bankruptcy Case No. 17 BK 4780-LTS) (Last Four Digits of Federal Tax ID: 3747). (Title III case numbers are listed as Bankruptcy Case numbers due to software limitations.)

## **THE OBJECTION; AND (D) ADJOURNING HEARING TO CONSIDER THE OBJECTION**

---

The Financial Oversight and Management Board for Puerto Rico (the “Oversight Board”), as COFINA’s representative pursuant to Section 315(b) of the *Puerto Rico Oversight, Management, and Economic Stability Act* (“PROMESA”), the Puerto Rico Fiscal Agency and Financial Advisory Authority (“AAFAF”), on its own behalf and as the sole entity authorized to act on behalf of all of Puerto Rico’s governmental entities, including COFINA, by and through the *Enabling Act of the Fiscal Agency and Financial Advisory Authority*, Act 2-2017, and the United States Department of the Treasury/Internal Revenue Service (the “Claimant” or “IRS,” and together with AAFAF, and the Oversight Board, the “Parties”), hereby enter into this stipulation (the “Stipulation”) as follows:

### **RECITALS**

A. The IRS filed two administrative expense claims against the Puerto Rico Sales Tax Financing Corporation (“COFINA”), which claims were logged by Prime Clerk, LLC, in May 2019, as Proofs of Claim Nos. 168648 and 168885 (collectively, the “Initial IRS Claims”).

B. With permission of the Oversight Board, on June 12, 2019, AAFAF filed the *Objection of Puerto Rico Sales Tax Financing Corporation to Proofs of Claim of the United States Department of the Treasury/Internal Revenue Service (Claim Nos. 168648 and 168885)* [Case No. 17-03283-LTS, ECF No. 7419; Case No. 17-03284-LTS, ECF No. 643] (the “Objection”), seeking to disallow the Initial IRS Claims in their entirety.

C. The notice of hearing attached to the Objection set a deadline of July 9, 2019, at 4:00 p.m. (Atlantic Time) for the IRS to respond to the Objection and July 24, 2019, at 9:30 a.m. (Atlantic Time) as the hearing date for the Court to consider the Objection in the event a timely response were filed.

D. On June 27, 2019, the IRS filed a third administrative expense claim, which was logged by Prime Clerk, LLC, as Proof of Claim No. 169423 (the “Amended IRS Claim”). The Amended IRS Claim contains substantially the same allegations as the Initial IRS Claims, and amends and supersedes the Initial IRS Claims.

**NOW, THEREFORE**, in consideration of the foregoing, the Parties hereby agree as follows:

1. The Parties hereby agree to the withdrawal of the Initial IRS Claims and authorize Prime Clerk, LLC, to remove the Initial IRS Claims from the claims registry in the Title III proceedings.
2. The Objection is hereby deemed to apply to and to seek the disallowance of the Amended IRS Claim in its entirety.
3. This Stipulation is without prejudice to the right of the Oversight Board and AAFAF to further amend the Objection, on or prior to **July 25, 2019, at 4:00 p.m. (Atlantic Time)**, to object to the Amended IRS Claim on any grounds whatsoever.
4. The deadline for the IRS to respond to the Objection is extended to **August 9, 2019, at 4:00 p.m. (Atlantic Time)**. Any reply shall be filed by **September 4, 2019, at 4:00 p.m. (Atlantic Time)**.
5. The hearing date for the Court to consider the Amended IRS Claim, the Objection, and any objections, responses, or replies in connection therewith, shall be **September 11, 2019, at 9:30 a.m. (Atlantic Time)**.
6. This Court shall retain jurisdiction to hear and determine all matters arising from or related to the implementation, interpretation, or enforcement of this Stipulation.
7. This Stipulation may be executed in multiple counterparts, any of which may be

transmitted by facsimile or electronic mail, and each of which will be deemed an original, but all of which together will constitute one instrument.

**STIPULATED AND AGREED TO BY:**

**O'MELVENY & MYERS LLP**

/s/ John J. Rapisardi

John J. Rapisardi (*pro hac vice*)  
Suzanne Uhland (*pro hac vice*)  
Peter Friedman (*pro hac vice*)  
Times Square Tower  
Seven Times Square  
New York, NY 10036  
Tel.: (212) 326-2000  
Fax: (212) 326-2061

*Attorneys for the Puerto Rico Fiscal Agency and Financial Advisor Authority*

**MARINI PIETRANTONI MUÑIZ LLC**

/s/ Luis C. Marini-Biaggi

Luis C. Marini-Biaggi  
USDC No. 222301  
Carolina Velaz-Rivero  
USDC No. 300913  
MCS Plaza, Suite 500  
255 Ponce de León Ave.  
San Juan, Puerto Rico 00917  
Tel.: (787) 705-2171  
Fax: (787) 936-7494

*Co-Attorneys for the Puerto Rico Fiscal Agency and Financial Advisor Authority*

**PROSKAUER ROSE LLP**

/s/ Martin J. Bienenstock

Martin J. Bienenstock (*pro hac vice*)  
Brian S. Rosen (*pro hac vice*)  
Eleven Times Square  
New York, NY 10036  
Tel: (212) 969-3000  
Fax: (212) 969-2900

*Attorneys for the Financial Oversight and Management Board, as representative for COFINA*

**UNITED STATES DEPARTMENT OF JUSTICE, TAX DIVISION**

/s/ Ward Benson

Ward Benson, Trial Attorney  
Ben Franklin Station  
P.O. Box 227  
Washington, D.C. 20044  
Telephone: (202) 514-9642  
Fax: (202) 514-6866  
Ward.W.Benson@usdoj.gov

*Representative of the United States Department of Treasury/Internal Revenue Service*

**SO ORDERED ON \_\_\_\_\_, 2019**

---

HON. LAURA TAYLOR SWAIN  
UNITED STATES DISTRICT COURT  
JUDGE

**CERTIFICATE OF SERVICE**

I hereby certify that on the date hereof, I electronically filed the foregoing with the Clerk of the Court using the CM/ECF system, which will send notification to all counsel of record and all CM/ECF participants in this case.

/s/ Hermann D. Bauer  
Hermann D. Bauer